

PPM 600

FISCAL ACCOUNTABILITY

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PURPOSE

The fiscal policies and practices required by [Vocational Rehabilitation \(VR\)](#) have been established to assure that all expenditures of VR program funds are made in compliance with federal and state fiscal requirements and in a manner that is cost-effective, efficient, and accountable.

[AUTHORITY: Federal regulations, 34 CFR 361.1; 361.12; 361.13(c)]

POLICIES AND PROCEDURES

600-01. Fiscal Authority and Responsibility

1. The VR program alone is responsible for all decisions affecting the nature and scope of available VR services and their provision, and the allocation and expenditure of VR funds. The responsibility for those decisions cannot be delegated to any other agency or individual. VR must develop and maintain written policies describing the nature and scope of VR services and the criteria under which each service is provided. The policies must assure that the provision of services is based upon the [vocational rehabilitation needs](#) of each individual, consistent with the individual's [informed choice](#), and must ensure fiscal accountability for the VR funds authorized and spent.

2. Only a **VR Counselor** or other qualified professional employed by VR can authorize and expenditure of VR funds. The counselor or other authorizing staff member must assure that all goods and services provided:

A. are secured with the prior knowledge and authorization of the VR Counselor;

B. have been determined by the VR Counselor to be vocationally relevant, necessary to meet the consumer's **vocational rehabilitation needs**; and

C. are specified in, and provided in accordance with, the consumer's approved **trial work experiences (TWE)** or **extended evaluation (EE)** plan, or **individualized plan for employment (IPE)**, as applicable; and

D. are provided in a manner that is cost-efficient, cost-effective, and accountable, in full compliance with the least-cost, comparable services and benefits, price quote, and other policies and practices set forth in this chapter.

[AUTHORITY: Federal regulations, 34 CFR 361.1; 361.12; 361.13(c); 361.45(a)(2); 361.46(a)(2); 361.48; 361.50(a)]

600-02. Prior Knowledge and Authorization

The fiscal accountability obligations described in this chapter cannot be satisfied unless services are planned in advance of their provision and the VR Counselor is involved in the planning process. Goods and services can be provided with VR funds only with the full and prior knowledge and authorization of the VR Counselor or another professional employed by VR who has authority to authorize and spend program funds. Goods and services arranged for and obtained by consumers without the full and prior knowledge and authorization of the VR Counselor will not be paid for or reimbursed by VR.

[AUTHORITY: Federal regulations, 34 CFR 361.1; 361.12; 361.13(c); 361.45(a)(2); 361.46(a)(2); 361.48; 361.50(a) and (e)]

600-03. Determination of Vocational Rehabilitation Needs

1. Goods and services are considered to be **vocationally relevant and necessary** to meet the consumer's vocational rehabilitation needs if they:

A. are expected to contribute substantially to the achievement of the planned **employment outcome** of the **consumer**; and

B. are required by the consumer

- to complete an **assessment for determining eligibility and priority for services**, including the development of a TWE or EE plan;

- to complete a **comprehensive assessment of vocational rehabilitation needs**; or

- for IPE development and the consumer's ability to prepare for, secure, or maintain a planned employment outcome.

2. The VR Counselor determines whether specific goods and services are vocationally relevant and necessary to meet the consumer's vocational rehabilitation needs.

[AUTHORITY: Federal regulations, 34 CFR 361.1; 361.12; 361.13(c); 361.45(a)(2); 361.46(a)(2); 361.48; 361.50(a) and (e)]

600-04. Plan of Services Requirements

Goods and services must be provided in accordance with the provisions of a TWE or EE plan, or an IPE, as applicable, including the criteria that will be used to evaluate the consumer's progress toward achievement of

the planned employment outcome and the terms and conditions specified for their provision.

[AUTHORITY: Federal regulations, 34 CFR 361.45(a)(2); 361.46(a)(5) and (6)]

600-05. Least Cost

If two or more goods, services, or providers are available to meet the vocational rehabilitation needs of the consumer, the maximum cost that VR will pay for or reimburse is the goods, services, or service providers available at the least cost to VR. If the consumer chooses a more costly alternative, he or she is responsible for the difference in cost, including any additional goods or services required consequent to the consumer's choice. The VR Counselor can authorize the more costly goods or services only after the consumer has agreed, and has made arrangements, to pay for the difference in cost over and above the least-cost alternative. The consumer's agreement and arrangements must be documented in his or her IPE.

[AUTHORITY: Federal regulations, 34 CFR 361.1; 361.13(c);
361.46(a)(6)(ii)]

600-06 Comparable Services and Benefits

1. General Requirements

Before authorizing VR funds for any goods or services, the VR Counselor must determine whether or not the goods or services can be provided or paid for, in whole or in part, by [comparable services and benefits](#). Available comparable services and benefits must be used to the fullest extent possible to achieve the outcome described in the TWE or EE plan, or the IPE, unless the use of the comparable service or benefit is otherwise not required, or waived per the exceptions described in this section.

2. Consumer Responsibilities

If the consumer fails to apply for or accept available comparable services and benefits, VR cannot pay for or reimburse any portion of the costs of goods and services that would have been covered by comparable services and benefits sources that have been identified.

3. Exempted Services

A. Except as noted in paragraph B following, a determination of the availability of comparable services and benefits resources is not required for the provision of:

- any goods or services required to complete an assessment for determining eligibility and priority for services or a comprehensive assessment of vocational rehabilitation needs;
- [counseling and guidance](#), including counseling and guidance and related supports necessary to help the consumer exercise his or her informed choice;
- [information and referral services](#) required to help the consumer secure needed services from other agencies and programs, including other components of the statewide workforce investment system;
- [assistive technology devices](#) or [assistive technology services](#), including telecommunications, sensory, and other technological aids and devices;
- employment-related services, including job search, job placement assistance, job retention, follow-up and follow-along services; or
- [post-employment services](#) consisting of any of the services identified in this paragraph.

B. Comparable services and benefits immediately known to be available without need of a search and determination may be used to provide or pay for any service provided.

4. Timeliness of Services and Benefits

If comparable services and benefits exist but are not available at the time needed to assure reasonable progress toward the provision of planned services and achievement of the consumer's employment outcome, VR funds may be authorized to provide the necessary goods or services until the comparable service or benefit is available, after which time the comparable service or benefit resources must be used for service provision. Temporary use of VR funds in lieu of comparable services and benefits must be documented in the consumer's record of services, together with notation of the date on which the delayed comparable services and benefits commence.

5. Other Exceptions

A. A determination regarding the comparable services and benefits available is not required if the determination would prevent or substantially delay:

- the achievement of the planned employment outcome by the ending date established by the consumer's approved IPE;
- the acceptance of any offer of employment consistent with the employment outcome identified in the IPE; or
- the provision of planned medical services to any consumer at extreme medical risk, as determined by a licensed physician and documented in the consumer's record of services.

B. All exceptions must be clearly documented in the consumer's record of services.

[AUTHORITY: Federal regulations, 34 CFR 361.53]

600-07. Student Financial Aid

1. Before the VR Counselor can approve VR funds for any costs associated with postsecondary training, the consumer must apply for all available grant assistance from other sources for which he or she may be eligible. Consumers are not required to apply for student loans that must be repaid, or for Federal Work Study (FWS) program participation. See also PPM chapters [530](#) and [602](#) for more information about postsecondary training and student financial aid requirements.
2. VR assistance for the costs of postsecondary training is limited to meeting the increased costs incurred by the consumer for training after all grant, scholarship, and other comparable services and benefits have been applied.

[AUTHORITY: Federal regulations, 34 CFR 361.48(f); 361.53]

600-08. Price Quotes

Unless specifically exempted, the VR Counselor must obtain at least two price quotes prior to authorizing expenditures exceeding \$600.

1. Obtaining Price Quotes

Price quotes secured by the VR Counselor must be obtained in writing from authoritative sources, and:

- A. may be obtained from published catalogs, price lists, or individually solicited quotes signed by the provider;
- B. must be for a complete set of related tools and equipment, or for a piece of equipment together with all of its component parts (the counselor is not permitted to authorize sets or components piecemeal, by multiple authorizations in order to avoid the price quote requirement);

C. must be for identical or strictly comparable goods or services, so as to provide truly comparable price comparisons;

D. must be obtained from different providers not owned or operated by the same individual or business entity; and

E. must be an original price quote (amended or second quotes from the same provider cannot be considered).

2. Use of Price Quotes Obtained

Except where otherwise provided for by policy, the lowest valid price quote obtained by the VR Counselor establishes both:

A. the maximum amount that VR will authorize to provide the goods or services quoted, unless the consumer makes an informed choice of a more costly alternative and pays the difference in cost, as described in PPM 600-05; and

B. the provider selected for goods and services to be provided.

3. Exceptions to Price Quote Requirements

The VR Counselor is not required to obtain price quotes when:

A. the costs payable by VR for the goods or services are governed by other VR fiscal policies, such as the Medicaid rate policy for medical services (see PPM chapter [605](#)) or the policies pertaining to the provision of hearing aids (chapter [625](#));

B. only one provider is available from whom the goods or services can be obtained; or

C. the entire cost of the goods or services will be met by comparable services and benefits, or by the consumer.

4. Documentation of Exceptions

All price quotes obtained, and documentation of all exceptions to price quote requirements, must be incorporated into the consumer's record of services.

[AUTHORITY: State agency policy per federal regulations, 34 CFR 361.39]

600-09. Reasonable Fee Schedules

1. VR has established reasonable fee schedules for some services. These fee schedules help assure that consumers receive necessary services at a reasonable cost to VR. Except as allowed under paragraph 3 of this section, goods and services provided with VR funds must be priced at or below the price specified in the fee schedule.

2. If goods or services are available at or below the fee schedule amount and the consumer makes an informed choice of goods, services, or a particular provider that results in greater cost to VR, the consumer is responsible for any difference in cost.

3. The counselor may not apply fee schedules in a manner that:

A. places absolute limits on the amounts, duration, or costs of goods or services without allowing for exceptions required to meet the vocational rehabilitation needs of any consumer, except those limits established by the Act and federal regulations or policy directives;

B. arbitrarily limits the amount, duration, or cost for a service at levels so low as to effectively deny a necessary service to the consumer; or

C. categorically prohibit the provision of out-of-state services.

4. The reasonable fee schedules established by VR are given in PPM Appendices B, C, and E.

[AUTHORITY: Federal regulations, 34 CFR 361.50]

600-10. Purchase of Services Agreements (POSAs) and Contracted Services

All VR Counselors and other employees are required to abide by the rates of payment and other terms established by any purchase of services agreement (POSA) or other contract applicable to VR, or to all programs of the [Bureau of Rehabilitation Services \(BRS\)](#) or the [Division of Disability and Rehabilitative Services \(DDRS\)](#). If the amount authorized and paid for goods or services is fixed by a POSA or other agreement, the VR Counselor must document it as such in the consumer's record of services.

[AUTHORITY: State agency policy per federal regulations, 34 CFR 361.39]

600-11. Authorization of Expenditures

1. Written Authorization

All expenditures of VR funds must be documented by written authorization to the service provider before or at the time of service provision. Authorizations must describe fully the services to be purchased or reimbursed, consistent with all applicable fiscal processing and automated Indiana Rehabilitation Information System (IRIS) requirements. Oral authorizations are not permitted.

2. Authorizing Signatures

The VR Counselor can authorize for amounts under IRIS edit limits for his or her own caseload. If the assigned counselor is unavailable to effect timely authorization, another VR Counselor may sign in his or her place, using the format “(*Signature of the signing counselor*) for (*caseload number*),” as, for example, “Jane Doe for #999.”

3. Required Countersignatures

Authorizations exceeding IRIS edit limits must be signed by both the VR Counselor and an Area Supervisor prior to service provision. Some services, as described in the applicable specific services policies, may also require the signature of the Area Supervisor, Region Manager, Director of Field Operations, or the Director of VR, irrespective of the amount of the authorization.

4. Documentation Requirements

All authorizations must be incorporated into the consumer's record of services.

[AUTHORITY: Federal regulations, 34 CFR 361.50(e) and state agency requirements in accordance with state fiscal policies]

600-12. Vouchering for Payment

1. Processing Claims

After the provider has received the authorization, provided the authorized goods or services, and sent an invoice to the VR Counselor for payment, authorized VR staff must prepare a Claim Voucher to generate payment for the goods or services provided. Prior to preparing the Claim Voucher, VR must be in receipt of:

A. for payment to be made to a service provider, an unpaid and itemized invoice submitted by the claimant;

B. for reimbursement to the consumer or the consumer's representative, an itemized reimbursement request signed and dated by the claimant, together with a paid receipt for the items claimed;

C. for goods with an aggregate cost of more than \$50, a Receipt of Goods form signed by the consumer or a representative.

2. Required Countersignatures

A. The original and all copies of each Claim Voucher must be signed by the VR Counselor and, if required by policy, by an Area Supervisor, a Region Manager, the Director of Field Operations, or the Director of VR.

B. If the counselor is unavailable to effect timely payment of a Claim Voucher for which he or she is responsible, another Counselor or other professional employed by VR may sign in lieu of the responsible counselor, following the format described for authorizations in PPM 600-11.2.

C. The counselor and, if required by VR policy, Area Supervisor signatures are sufficient if the amount vouchered is less than \$10,000. Counselor, Area Supervisor, and Region Manager signatures are required for amounts of \$10,000 or greater but less than \$20,000. Counselor, Area Supervisor, Region Manager, and Director of Field Operations signatures are required for vouchered amounts greater than \$20,000, as well as for any amount vouchered for cost classification (CC) code 17-06 (vehicle modification).

3. Documentation Requirements

All Claim Vouchers processed for payment and related documentation (including itemized billings, paid receipts, and other supporting documentation required by state fiscal policies) must be retained in the consumer's record of services.

[AUTHORITY: State agency policy in accordance with
state fiscal requirements]

600-13. Rejection of Claims for Processing

Claim Vouchers will not be processed by the claims processing unit for payment under any of the following conditions.

1. Invoice is missing the total amount billed for goods and services. Each invoice must specify the total amount being claimed for payment. The amount claimed can be less than the total amount invoiced, but not more. Claim Vouchers for amounts less than the total amount invoiced do not require special justification in the Special Provisions section of the claim form.
2. Missing service or invoice dates. Invoices must provide the dates of service provision and an invoice date. The dates specified for service provision must be within the authorization line item's service date range. For books and bus passes, the service dates must be the date of purchase. For leases and rentals, the service dates should be the dates of right to use. For all single-date services, the service date is the date on which the service occurred. If there is both a billing and a shipment date on the invoice, the date used for the Claim Voucher should be the shipping date.
3. Cost Classification (CC) code and service description discrepancy. A Claim Voucher will not be processed for payment if the [CC Code descriptor](#) does not match the description of the goods or services on the invoice (but note that this requirement does not apply to claims that include CPT codes).
4. Missing and mismatched service descriptions. Claim Vouchers and invoices must include a description of the goods and services for which payment is claimed, and the description on the Claim Voucher must match that on the invoice. (Corrections made on the invoice are acceptable for purposes of clarification, if initialed, but no corrections can be made on the Claim Voucher.)
5. Consumer's name missing from the invoice or different from that entered into IRIS. Claim Vouchers will not be processed for payment if missing the name of the consumer or when the name on the Claim Voucher is different from the name on the billing or the name of record in the [Indiana Rehabilitation Information System \(IRIS\)](#). (The

consumer's first and last name on the Claim Voucher must match the first and last name appearing on the invoice. The middle initial is an optional field, and discrepancies regarding the middle initial do not require any explanation in the Special Provisions section of the claim form.)

6. Missing or conflicting social security numbers. When required on the invoice, the last four digits of a consumer's social security number must agree with the numbers provided on the Claim Voucher.

7. Missing, incorrect, or conflicting EIN. When required, a correct employer identification number (EIN) must be provided on the Claim Voucher and must be in agreement with the EIN shown on the authorization form.

8. Missing consumer signature on reimbursement request. If the consumer is requesting direct reimbursement of amounts paid, his or her signature must be on the reimbursement request.

9. Claim Voucher is in "draft" status.

10. Claim Voucher is in "void" status at the request of the local VR office.

11. Dated counselor and other signatures required are missing from the Claim Voucher.

12. No description of "other" provided in the Special Provisions section of the form.

13. Service dates are the same service dates on another Claim Voucher without clear explanation in the Special Provisions section of the form. Identical service dates for the same consumer, services, and service provider require a clear explanation in the Special Provisions section of the Claim Voucher to verify that the payment requested is not duplicate.

14. Service dates overlap the service dates on another Claim Voucher without clear explanation in the Special Provisions section of the form. Service dates that overlap the services dates on another Claim Voucher for the same consumer, services, and service provider require a clear explanation in the Special Provisions section of the Claim Voucher.
15. The service dates are in the future, unless the claim is for tuition (paid six weeks after the start of a term), rent for a small business enterprise, or payments to an internet service provider.
16. The Claim Voucher includes tax. Tax may be paid only if the Claim Voucher is for reimbursement to the consumer. In all other cases, VR will pay only for the total amount claimed, less tax. If the pre-tax subtotal is not shown on the invoice, the counselor, or another approved VR employee, must handwrite the pretax subtotal on the form and the employee making the change and the VR Counselor must both initial it.
17. Unit cost indicated on the Claim Voucher is missing, wrong, or does not agree with the invoice. For actual cost POSAs, if the vendor does not invoice at the required \$1-per-unit rate on the invoice, the counselor, or another approved VR employee, must clarify the quantity and cost on the billing and the employee(s) must initial it.
18. Unit quantity on the Claim Voucher is greater than the unit quantity on the invoice.
19. Vendor name or address are not shown on the Claim Voucher, or are not in agreement with the invoice.
20. Invoice is missing or unreadable.
21. Claim Voucher or invoice has been corrected using correction tape or fluid. When making a correction on an invoice, the counselor, or another approved VR employee, must cross out existing information without rendering it illegible, note and initial the correction, and provide an explanation in the Special Provisions section of the form. When a

vendor has handwritten a correction on a billing, the approved VR employee must provide an initialed explanation of the correction in the Special Provisions section of the Claim Voucher

[AUTHORITY: State agency policy in accordance with
state fiscal requirements]

600-14. Claims with CPT Codes

The following requirements apply to claims that include [Current Procedural Terminology \(CPT\) codes](#).

1. It is not necessary for the CC Code descriptor to match the CPT code description. Many CPT codes may be classified under the same CC descriptor, and a counselor cannot reject an invoice on the grounds of mismatched codes.
2. When a CPT code is included on the claim, the code must be listed in the Medicaid CPT Rate Detail section of the claim.
3. The unit quantity is always 1.
4. Which CPT codes will be applicable may not be known with certainty at the time an authorization is written for a medical service (exam or other) until the physician has ordered all of the necessary procedures. The counselor must pre-approve all additional procedures and assure that they are related to the original authorization line item. When the counselor processes the invoice, all CPT codes associated with the original CC descriptor can be included on the same Claim Voucher under the CC descriptor, even if another descriptor more closely matches one or more the CPT code descriptions.
5. The VR Counselor may reject an invoice if the unit cost does not equal the sum of all of the CPT codes included in the Medicaid CPT Rate Detail section of the claim, or if the extended amount does not equal the unit cost.

[AUTHORITY: State agency policy in accordance with

600-15. Claims for Educational Expenses

The following requirements apply to all Claim Vouchers that include educational expenses.

1. If the invoice submitted by a training institution or program combines tuition and ancillary fees, the VR Counselor must separate the tuition from the fees and list them separately on the Claim Voucher.
2. All separately listed ancillary fees on school invoices should be listed on the Claim Voucher under an ancillary fee CC descriptor or appropriate transportation CC descriptor; not a tuition CC descriptor.
3. If an invoice includes books, equipment, and other training materials and supplies but an itemized list for the items is not available, the counselor, or another approved VR employee, must notate the bill, “The books, equipment, and other training materials are appropriate,” and the counselor must initial the note.
4. Testing fees for consumers already attending an institution of higher education must be classified under CC descriptor 06-01, “Training, College or University.”
5. Computer Specialty Tests, such as A+, for someone not attending an institution of higher education must be classified under CC descriptor 12-05, “Miscellaneous Training.”

[AUTHORITY: State agency policy in accordance with
state fiscal requirements]